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RHEEM MANUFACTURING COMPANY

**IN THE UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

ALISU INVESTMENTS, LTD. and  
KARGO GROUP GP, LLC

Plaintiffs,

v.

TRIMAS CORPORATION d/b/a NI  
INDUSTRIES, INC., et al.,

Defendants.

**AND RELATED COUNTERCLAIMS  
AND CROSS-ACTION.**

**Case No.: 2:16-CV-00686-GHK(PJWx)**

Hon. Michael W. Fitzgerald

**DECLARATION OF DOUGLAS A.  
HENDERSON IN SUPPORT OF  
DEFENDANT RHEEM  
MANUFACTURING COMPANY'S  
NOTICE OF MOTION AND MOTION  
FOR GOOD FAITH SETTLEMENT  
DETERMINATION**

Fifth Amended Complaint Filed:  
April 23, 2018

Trial Date: None Set

Date: April 19, 2021  
Time: 10:00 a.m.  
Dept: Courtroom 5A

**DECLARATION OF DOUGLAS A. HENDERSON**

I, Douglas A. Henderson, hereby declare as follows:

1. I am an attorney at law licensed to practice before the Courts of the State of Georgia and before this Court as Pro Hac Vice (Dkt. 117). I am a Partner at the law firm King & Spalding LLP, counsel for Defendant Rheem Manufacturing Company (“Rheem”) in this action. The following facts are within my personal knowledge and, if called as a witness herein, I could and would competently testify thereto.

**Allegations Against Rheem in Fifth Amended Complaint**

2. On February 2, 2016, Plaintiffs Alisu Investments, Ltd. and Kargo Group GP, LLC (“Plaintiffs”) filed the initial complaint in this action asserting CERCLA and related claims against certain Defendants pertaining to Plaintiffs’ property located at 4901 S. Boyle Avenue, Vernon, California (Dkt No. 1) (“Plaintiffs’ Property”).

3. On April 23, 2018, Plaintiffs filed a Fifth Amended Complaint (the “Complaint”) (Dkt No. 159) which alleges that Plaintiffs’ Property was contaminated by the activities of former operators and owner of adjacent and nearby properties. Plaintiffs specifically alleged Rheem Manufacturing Company, through its former subsidiaries U.S. Spring and Bumper Company and Orendorff Manufacturing Company which operated at 3050 Leonis Boulevard, Vernon, California and 4900 S. Boyle Avenue, Vernon, California, contributed to contamination at Plaintiff’s Property.

A true and correct copy of the Fifth Amended Complaint is attached hereto as **Exhibit A.**

4. Plaintiffs, through their environmental consultant, conducted Phase I and Phase II Environmental Site Assessments at the Property on March 28, 2015 and July 16, 2015, respectively.

5. Extensive sampling and investigation at and around Plaintiffs’ Property identified tetrachloroethylene (“PCE”), trichloroethylene (“TCE”), trichloro-fluoromethane (“Freon 11”), benzene, and chloroform and other substances in soil, soil vapor and groundwater at Plaintiffs’ Property.

1           6.     On March 4, 2020, the parties entered a stipulation to stay the case to  
2 permit settlement discussions (Dkt No. 284). This Court granted the stipulation on  
3 March 5, 2020 (Dkt No. 285).

4           7.     The parties to the settlement agreement at issue in this motion (“Settlement  
5 Agreement” or the “Agreement”) are Plaintiffs and Counter-Defendants Alisu  
6 Investments, Ltd. and Kargo Group GP, LLC and Defendant Rheem Manufacturing  
7 Company.

8           8.     After several months of good faith negotiations, Rheem and Plaintiffs  
9 (“Settling Parties”) have agreed to and signed a settlement agreement resolving all of  
10 their competing claims in this action (“Settlement Agreement”).

11 **Discovery to Date in this Lawsuit**

12           9.     After five years of environmental investigation and over five years of  
13 extensive discovery, including a deposition of a Rheem 30(b)(6) representative, and  
14 environmental data, reports, and comments made by the Department of Toxic  
15 Substances Control, among other things, the available documents and testimony show  
16 Rheem through the inspection of its former subsidiaries did not contribute to impacts at  
17 the Plaintiff’s Property.

18           10.    Rheem has identified no materials which address cases or evidence the  
19 operations of its former subsidiaries related to Plaintiffs’ Properties. In a 30(b)(6)  
20 deposition on July 11, 2019, Anthony Krell, a 15-year employee of Rheem, testified as  
21 follows:

22               a. Rheem searched for documents responsive to Plaintiffs’ discovery  
23 requests (Deposition of Anthony Krell, July 11, 2019 (“Krell  
24 Deposition”): at 19: 6-9, 12). Relevant portions of the Krell Deposition  
25 are attached hereto as **Exhibit B**.

26               b. Rheem provided all documents it had or has on the environmental issues  
27 raised by Plaintiffs (Krell Deposition at 30:18-20; 30:18-19).

28           11.    As for Rheem’s subsidiaries at issue in this case, Mr. Krell testified that

- a. Rheem closed Orendorff Manufacturing on December 31, 1966 (Krell Deposition at 29:16-17).
- b. Rheem sold Orendorff Manufacturing in 1972 (Krell Deposition at 27:5-9).
- c. Rheem purchased U.S. Spring and Bumper in 1954 and shut down U.S. Spring and Bumper in the January 1960 (Krell Deposition at 38:19-20; 40:24).
- d. Rheem was not able to identify anyone internally who had any operational responsibilities at Rheem's former subsidiaries, Orendorff Manufacturing Company and U.S. Spring and Bumper (Krell Deposition at 44:8).
- e. Rheem identified no knowledge of any of the lessees at either Orendorff Manufacturing Company or U.S. Spring and Bumper (Krell Deposition at 50:19-20).
- f. Rheem identified no information on the number of employees at the Orendorff Manufacturing Company or U.S. Spring and Bumper facilities (Krell Deposition at 57:14).
- g. Rheem identified no list of equipment used at Orendorff Manufacturing Company or U.S. Spring and Bumper (Krell Deposition at 54:4-5).
- h. Rheem identified no information on any construction, demolition, installation of equipment, or anything related to these topics at Orendorff Manufacturing Company or U.S. Spring and Bumper (Krell Deposition at 67:11).
- i. Rheem identified no information on permits at Orendorff Manufacturing Company or U.S. Spring and Bumper (Krell Deposition at 67:20-25).
- j. Rheem identified no records on environmental conditions or what occurred at the Orendorff Manufacturing Company or U.S. Spring and Bumper properties (Krell Deposition at 68:9-12).

1           12. As for the operations at Rheem's subsidiaries at issue in this case, Mr. Krell  
2 testified further that

- 3           a. Rheem identified no information on the operations of Orendorff  
4           Manufacturing (Krell Deposition at 57:5).
- 5           b. None of the documents produced by Rheem mentioned chemicals or  
6           substances used at its former operations (Krell Deposition at 63:16-20).
- 7           c. Rheem identified no documents for Orendorff Manufacturing or U.S.  
8           Spring and Bumper on the chemicals used at these locations (Krell  
9           Deposition at 74:14-18).
- 10          d. Rheem identified no documents that mentioned any chemicals used at  
11          its former subsidiaries in the 1950s and 1960s (Krell Deposition at 73:9-  
12          12).
- 13          e. Rheem produced all of the information it had on the properties in  
14          Vernon and none of them mentioned chemicals at the plants (Krell  
15          Deposition at 64:1-3).
- 16          f. Rheem has not identified any other environmental conditions reports  
17          related to the Property (Krell Deposition at 24:9-11).
- 18          g. Rheem identified no information on "vapor degreasers" at the properties  
19          (Krell Deposition at 59:7-9).
- 20          h. None of the documents produced by Rheem mentioned "degreasers,"  
21          and Rheem identified no information on the installation or removal of  
22          metal plating equipment at the 4900 or 4910 properties. (Krell  
23          Deposition at 66:9-22).
- 24          i. Rheem identified no reports or analyses or data concerning  
25          environmental conditions at the property from the 1950s or sixties, and  
26          Rheem found no information on spills or releases of chemicals at the  
27          property during the time it owned them (Krell Deposition at 69:8, 13).

28          13. With respect to documents, reports, or information produced by either the

1 Plaintiffs or other Defendants in this lawsuit to date, Rheem has identified no public  
2 documents, no documents or materials produced during discovery, or deposition  
3 testimony which indicates that either U.S. Spring and Bumper Company or Orendorff  
4 Manufacturing Company spilled, released, or discharged chemicals which may have  
5 contributing to contamination at the Plaintiffs' Property or the Off-Site Properties.

6 **Agreement to Settle**

7 14. Despite its limited liability exposure, if any, Rheem has agreed to settle all  
8 claims against it for a significant sum, a decision based on the non-trivial cost of  
9 continuing to litigate this case through trial, and contingent upon court approval of this  
10 good faith settlement motion.

11 15. The essential terms of the settlement are as follows:

- 12 a. The settlement amount paid to Plaintiffs is a low five-figure sum.
- 13 b. Rheem and Plaintiffs entered into this Agreement in good faith to  
14 resolve the lawsuit and avoid protracted litigation and costs. The  
15 Agreement is not an admission of liability or fault by either party and  
16 none of the allegations in the Complaint.
- 17 c. Plaintiffs will dismiss their lawsuit as against Rheem with prejudice.
- 18 d. Plaintiffs and Rheem will bear their respective costs that arose during  
19 the course of this litigation.
- 20 e. The settlement is contingent on the Court's approval of this Motion for  
21 Good Faith Settlement Determination.
- 22 f. The Settlement Agreement does not impose an indemnification  
23 obligation on Rheem or Plaintiffs.
- 24 g. Plaintiffs and Rheem have agreed to a mutual release concerning  
25 contamination on Plaintiffs' Property.

26 16. The pleadings and claims being resolved by this settlement are Plaintiffs'  
27 Complaint, which was filed on April 23, 2018 (Dkt. No. 159).

28 17. Public records, documents produced during discovery, a deposition of a

1 Rheem 30(b)(6) representative, and the results of environmental testing shows that  
2 Rheem's former subsidiaries did cause or contribute to the contamination on Plaintiffs'  
3 Property. Accordingly, the settlement amount is more than fair, reasonable, and  
4 adequate to Plaintiffs and co-defendants and has been made in good faith.

5 18. The Settling Parties have agreed to cooperate in filing this Motion seeking  
6 an Order from the Court under Code of Civil Procedure section 877.6 *et seq.* and  
7 Federal common law, that the Settlement Agreement is in good faith.

8 19. The settlement between Rheem and Plaintiffs satisfies all of the *Tech-Bilt*  
9 factors.

10 20. The settlement is the result of arms-length negotiations over approximately  
11 nine months between counsel for Plaintiffs and counsel for Rheem and involves no  
12 collusion of any sort among any parties.

13 21. Liability is vigorously disputed between the parties.

14 22. The settlement amount is less than the total demanded.

15 23. The Settling Parties and their counsel are aware of the inherent risks of  
16 litigation, including the risk that Plaintiffs might not prevail at trial against Rheem.

17 24. Rheem believes that it would prevail at trial on Plaintiffs' claims.

18 25. There is no issue relative regarding allocation of the settlement proceeds  
19 among the settling plaintiffs, as the settlement proceeds are directed to and shall be paid  
20 equally among the two plaintiffs.

21 26. That an amount paid in settlement is less than would be awarded at trial if  
22 liability established does not appear to be a concern and has not been raised by any of  
23 the parties.

24 27. The amount paid in settlement here is less than the original amount  
25 demanded by Plaintiffs and surely less than would have been awarded at trial if liability  
26 were established.

27 28. The settlement does not include any collusive terms and will not injure the  
28 interests of any non-settling parties.

29. Because there is no assignment of indemnity rights with this settlement, there is no issue concerning the financial condition or insurance policy limits of Rheem or Plaintiffs.

30. The settlement may affect the following remaining co-defendants and joint tortfeasors: Trimas Corporation d/b/a NI Industries, Inc., Bradford White Corporation, Luppe Ridgway Luppen, Paula Busch Luppen, Metal Products Engineering, Deutsch/SDL, Ltd., and Infinity Holdings, LLC.

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Executed in Atlanta, Georgia on the 18th day of March 2021.

*/s/ Douglas A. Henderson*  
DOUGLAS A. HENDERSON



# **EXHIBIT A**

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and KARGO GROUP GP, LLC*

**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

ALISU INVESTMENTS, LTD. and  
KARGO GROUP GP, LLC,

Plaintiffs,

v.

TRIMAS CORPORATION d/b/a NI  
INDUSTRIES, INC., BRADFORD  
WHITE CORPORATION, LUPPE  
RIDGWAY LUPPEN, PAULA BUSCH  
LUPPEN, METAL PRODUCTS  
ENGINEERING, DEUTSCH/SDL,  
LTD., RHEEM MANUFACTURING  
COMPANY, and INFINITY  
HOLDINGS, LLC,

Defendants.

AND ALL COUNTERCLAIMS

Case No. 2:16-CV-00686 MWF (PJWx)

**PLAINTIFFS' FIFTH AMENDED  
COMPLAINT FOR:**

- 1. LIABILITY FOR RESPONSE COSTS UNDER CERCLA;**
- 2. DECLARATORY RELIEF UNDER CERCLA;**
- 3. LIABILITY FOR RESPONSE COSTS UNDER CALIFORNIA HEALTH & SAFETY CODE;**
- 4. IMPLIED EQUITABLE INDEMNITY AND/OR PARTIAL IMPLIED EQUITABLE INDEMNITY;**
- 5. CONTINUING PRIVATE NUISANCE;**
- 6. CONTINUING TRESPASS;**
- 7. WASTE;**
- 8. NEGLIGENCE; and**
- 9. DECLARATORY RELIEF.**

**JURY DEMAND**

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**Table of Contents**

**PARTIES ..... 1**

    I.    PLAINTIFFS ..... 1

    II.   DEFENDANTS ..... 1

**JURISDICTION AND VENUE..... 2**

**GENERAL ALLEGATIONS ..... 3**

    Ownership History of the Property ..... 3

    Contamination of the Property ..... 3

    Environmental Characteristics of Subsurface Beneath and Near the Property..... 5

    Use of Chlorinated Solvents in Industrial Applications ..... 6

    Contamination Caused by Bradford White’s and Norris’s Activities and Operations at the Property ..... 8

    Contamination Caused by Operations and Activities at the Neighboring Properties ..... 10

        A.   3050 Leonis Blvd. .... 10

        B.   4900 and 4910 South Boyle Ave. .... 13

        C.   4724 South Boyle Ave. .... 16

    Plaintiffs Are Injured ..... 17

**FIRST CLAIM FOR RELIEF**

    (Liability for Response Costs under CERCLA) ..... 18

**SECOND CLAIM FOR RELIEF**

    (Declaratory Relief under CERCLA) ..... 19

**THIRD CLAIM FOR RELIEF**

    (Liability for Response Costs under California Health & Safety Code § 25363) ..... 20

**FOURTH CLAIM FOR RELIEF**

    (Implied Equitable Indemnity and/or Partial Implied Equitable Indemnity) ..... 21

**FIFTH CLAIM FOR RELIEF**

    (Continuing Private Nuisance)..... 22

**SIXTH CLAIM FOR RELIEF**

    (Continuing Trespass) ..... 23

1	<b>SEVENTH CLAIM FOR RELIEF</b>	
2	(Waste).....	24
3	<b>EIGHTH CLAIM FOR RELIEF</b>	
4	(Negligence).....	25
5	<b>NINTH CLAIM FOR RELIEF</b>	
6	(Declaratory Relief) .....	26
7	<b>PRAYER FOR RELIEF.....</b>	<b>27</b>
8	<b>JURY DEMAND.....</b>	<b>28</b>
9		
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1 Plaintiffs Alisu Investments, Ltd. and Kargo Group GP, LLC, with personal  
2 knowledge as to their own actions, and upon information and belief as to all other  
3 facts except where expressly noted, allege as follows:

4 **PARTIES**

5 **I. PLAINTIFFS**

6 1. Plaintiffs Alisu Investments, Ltd., a California limited partnership  
7 (“Alisu”), and Kargo Group GP, LLC, a California limited liability company  
8 (“Kargo”) (collectively, “Plaintiffs”), are the owners of certain real property located  
9 at the street address of 4901 S. Boyle Avenue, Vernon, California, 90058, identified  
10 by Assessor’s Parcel Numbers 6303-024-002, 6303-024-005, 6303-024-019 and  
11 6303-024-020, and totaling approximately 3.65 acres (the “Property”). Alisu owns  
12 a 75% undivided interest and Kargo owns a 25% undivided interest as tenants-in-  
13 common in the Property.

14 **II. DEFENDANTS**

15 2. Defendant TriMas Corporation (“TriMas”) currently does business  
16 under the name NI Industries, Inc., and is the successor-in-interest to Norris  
17 Industries, Inc. (“Norris”). Norris is a former tenant and operator of the Property,  
18 and a former owner and operator of real property located at the street address 3050  
19 Leonis Blvd., Vernon, California, 90058, identified by Assessor’s Parcel Number  
20 6303-024-022. Norris is also a former owner and operator of real property at the  
21 street address 4900 S. Boyle Avenue, Vernon, California, 90058, identified by  
22 Assessor’s Parcel Number 6303-025-009.

23 3. Defendant Bradford White Corporation (“Bradford White”), in its own  
24 name and as the successor-in-interest to Republic Heater Corp and/or Republic-Odin  
25 Appliance Corp., is a former tenant and operator of the Property.

26 4. Defendants Luppe Ridgway Luppen and Paula Busch Luppen are co-  
27 trustees of the Luppe and Paula Luppen Living Trust. They, as co-trustees, are the  
28 current owners of real property located at the street address 3050 Leonis Blvd.,

Vernon, California, 90058, identified by Assessor's Parcel Number 6303-024-022. Defendant Luppe Ridgway Luppen owned that property in his individual capacity and d/b/a Luppen Properties between approximately 1988 and 2000.

5. Defendant Metal Products Engineering was the owner of the real property located at 3050 Leonis Blvd., Vernon, California, 90058 between approximately 1986 and 1988, and has been a tenant and operator at that property since approximately 1994.

6. Defendant Infinity Holdings, LLC is the owner of real property located at the street addresses 4724 and 4900 S. Boyle Avenue, Vernon, California, 90058, identified by Assessor's Parcel Numbers 6303-020-002 and 6303-025-009 respectively.

7. Defendant Deutsch/SDL, Ltd. is the owner of real property located at the street address 4910 S. Boyle Avenue, Vernon, California, 90058, identified by Assessor's Parcel Number 6303-025-013.

8. Defendant Rheem Manufacturing Company, in its own name and as the successor-in-interest to U.S. Spring and Bumper Company and Orendorff Manufacturing Company, is a former operator of the properties at 4900 and 4910 S. Boyle Avenue, Vernon, California, 90058.

### **JURISDICTION AND VENUE**

9. This Court has jurisdiction over these claims pursuant to 42 U.S.C. § 9607, providing jurisdiction over controversies arising under CERCLA; 28 U.S.C. § 1331, providing jurisdiction over federal questions; 28 U.S.C. §§ 2201–02, providing jurisdiction over declaratory relief actions; and 28 U.S.C. § 1367(a), providing supplemental jurisdiction over all other claims that are so related to claims in the action within such original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution.

10. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), in that the releases or threatened releases of hazardous substances that give rise to these

claims are alleged to have occurred in this District and the property at issue is located in this District.

### **GENERAL ALLEGATIONS**

#### **Ownership History of the Property**

11. Alisu and Kargo are tenants-in-common and successors-in-interest to Boyle Avenue Properties, a California partnership (“BAP”). BAP is the successor-in-interest to Alisu, a prior owner of the Property.

12. On or about December 19, 1980, Alisu purchased the Property, except for a 170’ x 248’ parcel excluded from the sale, from the Mutual Benefit Life Insurance Company. On or about January 12, 1981, Alisu transferred its ownership interest in the Property to BAP.

13. On or about November 29, 2000, BAP obtained a judgment quieting title on the 170’ x 248’ parcel that was not part of the original sale through adverse possession.

14. On or about December 16, 2014, BAP quitclaimed the Property to Plaintiffs as tenants-in-common, with Alisu owning a 75% undivided interest and Kargo owning a 25% undivided interest.

#### **Contamination of the Property**

15. The various activities conducted by Defendants as operators at the Property and at real property located at 3050 Leonis Blvd., and 4724, 4900 and 4910 S. Boyle Avenue, (the “Neighboring Properties”), and/or activities conducted by former operators at Neighboring Properties of which Defendants are owners, involved the use of chlorinated solvents including trichloroethylene (“TCE”) and tetrachloroethylene (“PCE”). Those activities of the Defendants, and/or of former operators at properties owned by Defendants, caused TCE and PCE to be discharged into the subsurface at the Property and each of the Neighboring Properties, in the circumstances and at the times described below, which in turned caused continuing releases of TCE and PCE onto and under the Property that continue today.

1           16. In addition, activities conducted by Defendant TriMas's predecessor  
2 Norris at the Property and at the property located at 3050 Leonis Blvd. involved  
3 chemicals containing perchlorate, and caused that perchlorate to be discharged into  
4 the subsurface at the Property and at the 3050 Leonis Blvd. property, in the manner  
5 and at the times described below, which in turned caused a release or releases of  
6 perchlorate onto and under the Property, where it persists today.

7           17. TCE and PCE are highly persistent contaminants in both soil and  
8 groundwater, and tend to spread slowly over time from a release point. These  
9 compounds have very low solubility in water, can become trapped in significant  
10 quantities in soils, and exhibit only limited degradation by natural environmental  
11 processes. TCE and PCE are also more dense and less viscous than water, and  
12 therefore tend to sink downward from the ground surface through unsaturated  
13 subsurface soils and into groundwater aquifers. Both chemicals also spread laterally  
14 in soil and groundwater as a pure solvent, as a dissolved component in water, and as  
15 a vapor. Both chemicals are highly toxic, with a Maximum Contaminant Level for  
16 drinking water set by the EPA of just 5 parts per billion. As a result of their  
17 persistence in the environment and high toxicity, even limited source areas or small  
18 TCE and PCE releases can contaminate large areas of soil and large volumes of  
19 groundwater beyond the original point source. The contaminated groundwater  
20 plumes that form from the release of these two solvents generally spread both  
21 vertically and horizontally over time.

22           18. Perchloric acid and most perchlorate salts are readily soluble in water,  
23 which generates the perchlorate anion in solution. The perchlorate anion is  
24 chemically stable, non-volatile and sparingly sorbed<sup>1</sup> by soils, which makes it a  
25 highly persistent contaminant in the environment. Due to its high solubility and  
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27 <sup>1</sup> "Sorption" is the physical and chemical process by which one substance becomes  
28 attached to another. The phrase "sorbed by soils" as used here refers to either  
absorption or adsorption of the substance by soil.



1 limited attenuation by degradation and sorption, perchlorate is also highly mobile in  
2 groundwater. The persistence and mobility of perchlorate, together with its toxicity  
3 at low part per billion concentrations, means even limited releases can contaminate  
4 large areas of an aquifer. As is typical of highly mobile contaminants in general, the  
5 spatial extent of perchlorate-contaminated groundwater tends to grow larger with  
6 time.

7 **Environmental Characteristics of Subsurface Beneath and Near the Property**

8 19. Based on soil, soil gas, and groundwater testing conducted at and under  
9 the Property, contaminants of concern are present including chlorinated solvents  
10 including but not limited to PCE and TCE, and the hazardous chemical perchlorate.

11 20. Through environmental consultant Environmental Audit, Inc. (“EAI”),  
12 Plaintiffs have conducted Phase I and Phase II Environmental Site Assessments at  
13 the Property, as well as ground water monitoring and testing. Plaintiffs completed  
14 Phase I on March 28, 2015, and Phase II on July 16, 2015. Through EAI’s testing of  
15 soil gas, soil, and indoor air at the Property, Plaintiffs discovered for the first time  
16 that the indoor air, soil, and subsurface at the Property was contaminated with, *inter*  
17 *alia*, PCE and TCE, at concentrations above screening levels developed by the State  
18 of California Department of Toxic Substances Control (“DTSC”) and the United  
19 States Environmental Protection Agency (“EPA”) for commercial-industrial land  
20 use. EAI’s testing also revealed that PCE and TCE concentrations in the ground  
21 water at the Property exceeded the Maximum Contaminant Levels (“MCLs”)  
22 established for drinking water, which prompted EAI’s recommendation that two  
23 additional ground water wells be installed on the Property. Plaintiffs submitted a  
24 workplan to DTSC on December 14, 2016 (“the workplan”), to conduct  
25 supplemental groundwater and soil testing, and thereafter conducted additional  
26 testing at the Property throughout 2017 with DTSC’s input and guidance, including  
27 removing a concrete foundation slab; testing soil and industrial residues found  
28 underneath the slab; installing additional groundwater monitoring wells that also act

1 as soil vapor probes to further investigate the north and northwest portions of the  
2 Property's subsurface; and testing for additional chemicals of concern, including  
3 perchlorate.

4 21. In total, Plaintiffs have installed six groundwater monitoring wells at  
5 points along all four sides of the perimeter of the property, and are regularly  
6 monitoring the contaminant concentrations measured in those wells, pursuant to the  
7 workplan. Plaintiffs submitted a Groundwater Monitoring Well Installation Report  
8 to DTSC on November 28, 2017, in response to which DTSC provided comments  
9 on February 26, 2018, recommending additional development of the six monitoring  
10 wells. Plaintiff submitted its First Semi-Annual 2018 Groundwater Monitoring  
11 Report to DTSC on March 26, 2018, pursuant to the workplan and in response to  
12 DTSC's February 26, 2018 comments. To date, TCE and PCE have been detected  
13 in concentrations exceeding the relevant MCLs in every groundwater sample  
14 collected from each well. Perchlorate has been detected in every well, and at  
15 concentrations exceeding the relevant MCL in samples taken from two wells.

16 22. In general, when chemical contaminants are released into the  
17 subsurface environment, they tend to disperse outward from a release point under  
18 the influence of the local groundwater gradient and soil vapor pressure. That is,  
19 contaminants introduced to the subsurface tend to spread outward and migrate in the  
20 direction that groundwater and soil vapor naturally flow.

21 23. Groundwater elevation measurements conducted at the Property by  
22 EAI and measurements gathered at other properties in the neighborhood show that  
23 the local groundwater gradient flows west-southwest, and has historically moved in  
24 the same direction. Groundwater and soil vapor in the subsurface under and in the  
25 vicinity of the Property therefore flow from the east-northeast to the west-southwest  
26 over time.

27 **Use of Chlorinated Solvents in Industrial Applications**

28 24. Virtually all industrial metal-working, which includes but is not limited

to manipulation of metal by cutting, shaping, machining, pressing, smithing or otherwise, requires the use of oil or grease as a cooling agent and lubricant to prevent heat warpage, among other unwanted effects, caused by frictional and/or direct heating of the worked product. After the product has been manipulated, leftover oil and grease must be removed from the finished product by application of a degreasing agent. TCE and PCE were and are two very common industry-standard degreasing agents that have been used in virtually all industrial metal-working applications through the 20<sup>th</sup> century. TCE was commonly used as a degreasing agent in industrial settings in Los Angeles County prior to 1968, and PCE is still used in various industrial and commercial settings, including as a dry-cleaning solvent, even today.

25. The inadvertent and intentional discharge of solvents to the environment is a regular and inevitable occurrence during the normal course of industrial activities involving solvents such as TCE and PCE, including the activities carried out at the Property and the Neighboring Properties at various times from the 1920s to the present.

26. Such discharges occur in several ways, including, but not limited to:

- a. Human error, including spills during transport, use, tank filling, and disposal;
- b. Damage to solvent containment structures due to corrosion or breaching of piping, storage containers, or environmental control equipment;
- c. Leakage from joints and connections on solvent-containing equipment;
- d. “Drag out” from degreaser units, meaning the portion of solvent carried out of the degreaser during removal of the part being degreased, to which the solvent clings or is trapped;
- e. Intentional disposal of solvents or wastes containing solvents to land, including such disposals performed pursuant to solvent manufacturers’ instructions;

- f. Emission of fugitive solvents used during vapor degreasing; and
- g. Leaks from sumps, floor drains, and sewer lines that convey solvent-containing wastes away from industrial operations.

**Contamination Caused by Bradford White's and Norris's Activities and Operations at the Property**

27. Bradford White's and Norris's activities and operations at the Property during their respective occupancies involved the use, storage, and/or transport of PCE, and caused PCE to be released to the subsurface beneath the Property in the manner described below.

28. Bradford White continuously operated a water heater manufacturing business at the Property from approximately 1974 through 1980. That manufacturing process involved cutting, shaping, pressing, shearing, machining, and otherwise manipulating various metal parts for inclusion in water heaters. Such activities involved using oil and/or grease as coolants and lubricants during processing. In particular, Bradford White manufactured "glass-lined" water heaters at the Property, which have a porcelain enamel coating on the interior wall of the water storage tank to prevent corrosion of the tank by the water it contains. Before applying the enamel coating, the Bradford White degreased each tank to remove impurities that would prevent the coating from bonding properly to the metal, and the standard practice in the industry during the period when Bradford White used the Property for water heater manufacturing was to use PCE as the primary degreasing agent. Bradford White's water heater manufacturing activities at the property continuously utilized chlorinated solvents, including PCE, to degrease finished metal parts, including water heater tanks.

29. Bradford White regularly used and handled PCE in the normal course of its business as an operator at the property manufacturing water heaters between 1974 and 1980, and regularly released PCE to the Property's subsurface during those years, intentionally or unintentionally, under one or more of the circumstances or

1 discharge and/or disposal described above in Paragraph 26, where it has persisted  
2 and remains today.

3 30. From approximately 1981 until 1991, Norris operated the Property as  
4 an equipment storage facility. In particular, Norris stored manufacturing equipment  
5 owned by the United States government that was loaned to Norris for use in  
6 completing defense manufacturing contracts between Norris and the United States,  
7 including the manufacturing of munitions.

8 31. At all relevant times, the United States imposed specifications for the  
9 storage of government-owned equipment loaned to contractors, including Norris.  
10 Among other requirements, the specifications required that a thick, viscous,  
11 petroleum-based rust inhibitor known as “cosmoline” be applied to the surfaces of  
12 the equipment during transport and storage, to prevent corrosion. A standard method  
13 for removing cosmoline from large equipment is, and was during the relevant time  
14 period, to apply PCE, either manually or by immersing the equipment in a vapor  
15 degreaser. Throughout the relevant years, Norris transported equipment between the  
16 Property and other locations where the equipment was used in manufacturing. As  
17 part of that process, Norris cleaned equipment being placed in or removed from  
18 storage at the Property, including by applying and removing cosmoline.

19 32. Soil samples collected by EAI from beneath drainage troughs at the  
20 Property in July 2017 contained chemical components of cosmoline as well as  
21 chlorinated solvents including PCE, indicating that PCE was used at the Property to  
22 remove cosmoline, and that both PCE and cosmoline were released to the  
23 subsurface.

24 33. Based on the foregoing, Norris regularly used PCE to remove  
25 cosmoline from government-owned equipment in its regular course of business as  
26 an operator storing and transporting that equipment at the Property between 1981  
27 and 1991. On information and belief, Norris regularly released PCE and/or PCE-  
28 contaminated cosmoline to the Property’s subsurface during those years,

1 intentionally or unintentionally, under one or more of the circumstances or discharge  
2 and/or disposal described above in Paragraph 26, including by depositing PCE  
3 and/or PCE-contaminated cosmoline into floor drainage troughs, whence it escaped  
4 to the subsurface either directly or by leaking from underground sewer pipes. PCE  
5 and PCE-contaminated cosmoline have persisted and remain in the Property's  
6 subsurface today.

7 34. In sum, Defendants Bradford White and TriMas necessarily and  
8 regularly released PCE on, into, and under the Property during the period  
9 approximately spanning 1974 to 1991 in the normal course of their industrial  
10 activities involving PCE at the Property.

11 **Contamination Caused by Operations and Activities at the Neighboring**  
12 **Properties**

13 35. The real Neighboring Properties are discussed below. Hazardous  
14 chemicals, including but not limited to TCE, PCE, and perchlorate have been  
15 released from each of those properties onto and under the Property.

16 **A. 3050 Leonis Blvd.**

17 36. The real property located at 3050 Leonis Blvd. abuts the Property  
18 immediately to the Property's north, and its southern boundary runs west from S.  
19 Boyle Ave. approximately two-thirds the length of the Property. Because the 3050  
20 Leonis Blvd. property is set north and northeast of the Property, it is upgradient, and  
21 any subsurface contaminants beneath the 3050 Leonis Blvd. property, will naturally  
22 migrate onto and under the 4901 S. Boyle Ave. property, following the west-  
23 southwest direction of groundwater flow and soil gas pressure.

24 37. Norris owned the 3050 Leonis Blvd. property between 1966 and 1986.  
25 Between approximately 1966 and 1986, Norris operated the 3050 Leonis Blvd.  
26 property as a warehouse and conducted some manufacturing there. City of Vernon  
27 Public Works Department records show that beginning in 1967, Norris maintained  
28 a 720 cubic foot metal shed approximately 50 feet north of the southern boundary of



the property for the storage of large volumes of sodium nitrate. Sodium nitrate is used in many industrial processes, including as a source of nitrogen in fertilizer, as an oxidizing agent in munitions and products such as flares, as a food preservative, and as a reagent in the manufacturing of glass. Sodium nitrate, especially sodium nitrate in industrial use during the period Norris occupied the 3050 Leonis Blvd. property, is largely mined from deposits that also contain naturally occurring perchlorate at concentrations of between 500 and 2,000 parts per billion. Perchlorate contamination is frequently observed in the subsurface in areas where sodium nitrate has been used, stored, or disposed.

38. During Norris's storage of sodium nitrate at the 3050 Leonis Blvd. property between approximately 1967 and 1986, and its transportation of sodium nitrate to and from its storage shed at the 3050 Leonis Blvd. property throughout that period, sodium nitrate containing perchlorate escaped to the environment through spilling, dissolving, or another manner of discharge, migrated to the subsurface, and was released to the Property following the flow of groundwater. The discharges to the subsurface occurred on a continuing basis from 1967 through the time Norris ceased storing sodium nitrate at the 3050 Leonis property, and the release or releases from the 3050 Leonis Blvd. property to 4901 S. Boyle Ave. through the subsurface have occurred continuously, and are occurring today, since 1967.

39. In 1986, Norris sold the 3050 Leonis Blvd. property to Defendant Metal Products Engineering. Defendant Metal Products Engineering conveyed title to the property two years later to Defendant Luppe Luppen, who held it in his own name and d/b/a Luppen Properties between 1988 and 2000. In 2000, title to the property was conveyed to Defendants Luppe Luppen and Paula Busch Luppen as co-trustees of the Luppe and Paula Luppen Living Trust, and has been so held since.

40. Since 1994, Defendant Metal Products Engineering has operated at the 3050 Leonis Blvd. property conducting metal stamping, tool and die making, and assembling metal products. Metal stamping, tool and die making, and assembling

1 metal products, like other forms of industrial metal manipulation, necessarily  
2 requires degreasing of both the finished workpiece and of the tools involved, which  
3 typically involves the use of chlorinated or other solvents. City of Vernon records  
4 and Hazardous Waste Manifests show that continuously between 1994 and the  
5 present, Metal Products Engineering has used high volumes of lubricating oils, and  
6 has maintained a proprietary “Safety-Kleen” tool cleaning unit, which uses an  
7 aqueous solution containing small amounts of PCE in a self-contained system to  
8 remove oil and grease from parts introduced to the solution. Metal Products  
9 Engineering has continuously used approximately 1–3 gallons of Safety-Kleen  
10 solution per day since 1994 to clean tools, and has stored approximately 20–40  
11 gallons of solution in drums on the property throughout that time. Because the  
12 solution is reused over time but must eventually be replaced, Hazardous Waste  
13 Manifests reflect that Metal Products Engineering has generated between 20 and 60  
14 gallons of Safety-Kleen solution waste each year that is regularly transported off-  
15 site and replaced.

16 41. On information and belief, Metal Products Engineering has regularly  
17 released PCE-containing Safety-Kleen solution to the Property’s subsurface  
18 between 1994 and the present, intentionally or unintentionally, under one or more of  
19 the circumstances of discharge and/or disposal described above in Paragraph 26.  
20 PCE has in turn been released and continues to be released from the 3050 Leonis  
21 Blvd. property, where it follows the natural flow of groundwater and soil vapor, and  
22 reaches and contaminates the Property’s subsurface.

23 42. By virtue of the historic and ongoing discharges and releases of PCE  
24 and perchlorate at the 3050 Leonis Blvd. property that introduced PCE and  
25 perchlorate to the environment at and under that property, the property has  
26 continuously released perchlorate to the Property’s subsurface through groundwater  
27 and soil vapor since approximately 1967, and has continuously released PCE to the  
28 Property’s subsurface since approximately 1994, where it has followed and follows



1 the natural flow of groundwater and soil vapor and reaches and contaminates the  
2 Property's subsurface.

3 **B. 4900 and 4910 South Boyle Ave.**

4 43. The western edge of the real properties located at 4900 and 4910 S.  
5 Boyle Ave. both are located approximately 100 feet east of the Property, across S.  
6 Boyle Ave, which runs north-south. Because the 4900 and 4910 S. Boyle Ave.  
7 properties are set east of the 4901 S. Boyle Ave. property, they are upgradient, and  
8 any subsurface contaminants beneath the 4900 and 4910 S. Boyle Ave. properties  
9 will naturally migrate onto and under the Property, following the direction of  
10 groundwater flow and soil gas pressure.

11 44. Between the 1920s and 1990s, industrial activities including the  
12 manufacture of metal products and equipment occurred at 4900 and 4910 S. Boyle  
13 Ave.

14 45. U.S. Spring and Bumper Company occupied 4900 and 4910 S. Boyle  
15 Ave. from the 1920s to the late 1950s. City of Vernon Public Works Department  
16 documents show that U.S. Spring and Bumper installed a 1,900-ton hydraulic press  
17 at the 4910 S. Boyle Ave. property in 1952 and constructed a "farm tool" building  
18 there in 1953.

19 46. U.S. Spring and Bumper Company's industrial activities at 4900 and  
20 4910 S. Boyle Ave. included manufacturing automotive parts, and heavy farm  
21 equipment parts. These activities involved cutting, shaping, machining, and  
22 otherwise manipulating metal parts, which involved using oil and/or grease as  
23 coolants and lubricants during processing, which in turn required degreasing the  
24 completed workpieces. U.S. Spring and Bumper regularly used and handled TCE  
25 and/or PCE in the normal course of its business as an operator at the 4900 and 4910  
26 S. Boyle Ave. properties manufacturing automotive and farm equipment parts from  
27 the 1920s through the 1950s, and regularly released TCE and/or PCE to the  
28 properties' subsurface during those years, intentionally or unintentionally, under one

1 or more of the circumstances or discharge and/or disposal described above in  
2 Paragraph 26, where it has persisted and from which it has spread.

3 47. Defendant Rheem Manufacturing Company (“Rheem”) occupied 4900  
4 and 4910 Boyle from the early 1950s to approximately 1956.

5 48. Rheem’s industrial activities at 4900 and 4910 S. Boyle Ave. included  
6 manufacturing water heaters and boilers, and ship and aircraft parts. These activities  
7 involved cutting, shaping, machining, and otherwise manipulating metal parts. Such  
8 activities involved using oil and/or grease as coolants and lubricants during  
9 processing. Thereafter, such activities involved degreasing finished metal parts with  
10 chlorinated solvents including TCE and/or PCE. Rheem’s use and handling of TCE  
11 and/or PCE at the Property in the normal course of its operations caused TCE and/or  
12 PCE to be continuously released to the Property’s subsurface, intentionally or  
13 unintentionally, under one or more of the circumstances of discharge and/or disposal  
14 described above in Paragraph 26.

15 49. Orendorff Manufacturing Company (“Ormco”) occupied the 4900 and  
16 4910 S. Boyle Ave. properties between approximately 1956 and 1972. Ormco was  
17 acquired by Rheem in approximately 1961, including its operations at the 4900 and  
18 4910 S. Boyle Ave. properties.

19 50. Ormco’s industrial activities at 4900 and 4910 S. Boyle Ave. included  
20 manufacturing ground-working implements, industrial equipment, and wear parts.  
21 These activities involved cutting, shaping, machining, and otherwise manipulating  
22 metal parts. City of Vernon records confirm that Ormco operated various metal  
23 manipulating tools there, including metal presses, drill presses, multiple welders,  
24 milling machines, tool grinders, and a spray booth. Such activities involved using  
25 oil and/or grease as coolants and lubricants during processing. Thereafter, such  
26 activities involved degreasing finished metal parts with chlorinated solvents  
27 including TCE and/or PCE. Ormco’s use and handling of TCE and/or PCE at the  
28 property in the normal course of its operations caused TCE and/or PCE to be

continuously released to the property's subsurface, intentionally or unintentionally, in one or more of the circumstances of discharge described above in Paragraph 26 where it has persisted and from which it has spread.

51. Norris owned and operated the 4900 S. Boyle Ave. property from approximately 1967 to the 1990s.

52. Norris's industrial activities at 4900 S. Boyle Ave. included, but were not limited to, ordnance manufacturing. These activities involved cutting, shaping, machining, and otherwise manipulating metal parts. City of Vernon records that Norris Industries operated various metal manipulating tools there, including, but not limited to, presses, saws, lathes, grinders, welders, shears, rollers, and drills. Such activities involved using oils and/or grease as coolants during processing. Thereafter, such activities involved degreasing finished metal parts with chlorinated solvents, including TCE and/or PCE.

53. City of Vernon records also confirm that Norris Industries operated a degreaser and clarifier pit at the 4900 S. Boyle Ave. property, at least as early as 1969. These facilities were used to degrease metal and to clarify spent solvents, namely TCE and/or PCE. Norris's use and handling of TCE and/or PCE at the property in the normal course of its operations, including those involving its degreaser and clarifier pit, caused TCE and/or PCE to be continuously released to the property's subsurface, intentionally or unintentionally, under one or more of the circumstances of discharge and/or disposal described above in Paragraph 26, where it has persisted and from which it has spread.

54. In sum, releases of TCE and PCE necessarily and regularly occurred on, into, and under 4900 and 4910 S. Boyle Ave. during the period beginning in the 1920s and ending not earlier than the 1990s in the normal course of industrial activities carried out by former operators of those properties, including, U.S. Spring and Bumper, Rheem, Ormco, and Norris Industries.

55. By virtue of the historic discharges of TCE and/or PCE at the 4900 and

1 4910 S. Boyle Ave. properties that introduced TCE and/or PCE to the environment  
2 at and under those properties, those properties have continuously released TCE  
3 and/or PCE through groundwater and soil vapor to the property's subsurface since  
4 approximately the 1920s whence it has been released and continues to be released  
5 following the natural flow of groundwater and soil vapor, reaching and  
6 contaminating the Property's subsurface.

7 **C. 4724 South Boyle Ave.**

8 56. Telephone directories, Sanborn Fire Insurance maps, and other public  
9 information show that the real property located at 4724 S. Boyle Ave. was operated  
10 as an aluminum luggage manufacturing facility between at least 1949 and 1967, by  
11 Erle P. Halliburton Inc., which also operated there under the names Halliburton  
12 Aluminum Travel Cases, Halliburton Aluminum Cases, Halliburton Inc., and/or  
13 Halliburton Enterprises, Inc. The property operated as those entities' corporate  
14 headquarters and primary manufacturing facility.

15 57. During those years, chlorinated solvents including TCE, PCE, and the  
16 additional chlorinated solvent 1,1,1-trichloroethane ("111-TCA") would necessarily  
17 have been used in an aluminum product manufacturing operation such as the luggage  
18 manufacturing operations conducted at the 4724 S. Boyle Ave. to *inter alia* complete  
19 the tasks described in Paragraph 24 above. On information and belief, the operators  
20 conducting aluminum manufacturing at the 4724 S. Boyle Ave. property handled,  
21 used, and transported TCE, PCE, and/or 111-TCA, and the use and handling of TCE,  
22 PCE, and/or 111-TCA there in the normal course of operations caused those  
23 chlorinated solvents to be discharged to the property's subsurface, intentionally or  
24 unintentionally, by one or more of the methods of discharge described above in  
25 Paragraph 26, where it has persisted and from which it has spread.

26 58. 4724 S. Boyle Ave. is located approximately 600 feet northeast of the  
27 Property. By virtue of the historic discharges of TCE and/or PCE at the 4724 S.  
28 Boyle Ave. property that introduced TCE and/or to the environment at and under

1 that property, the property has continuously released TCE and/or PCE through  
2 groundwater and soil vapor from the property's subsurface since at least 1949,  
3 whence it has been released and continues to be released following the natural flow  
4 of groundwater and soil vapor, reaching and contaminating the Property's  
5 subsurface.

6 **Plaintiffs Are Injured**

7 59. Plaintiffs have never used or handled PCE or TCE at the Property.

8 60. As a result of the discharges, releases and threatened releases of  
9 hazardous substances at the Property and at the Neighboring Properties, Plaintiffs  
10 have voluntarily incurred significant costs to conduct environmental investigation  
11 and remediation activities at the Property, which are still ongoing as of the date of  
12 this Fifth Amended Complaint.

13 61. For example, Plaintiffs have incurred costs by installing several  
14 groundwater monitoring wells and soil vapor probes at and in the vicinity of the  
15 Property, to track the movement of TCE and PCE in the subsurface, and to assess  
16 the concentrations of those contaminants in anticipation of remediation. Some of  
17 these wells are located on the Property's borders.

18 62. One function of the groundwater monitoring wells and soil vapor  
19 probes is to assess the movement of contaminants into and through the Property.  
20 Monitoring at the Property has demonstrated a change in the spatial distribution of  
21 contaminant concentrations over time, indicating that in addition to those released at  
22 the Property, contaminants have also migrated to the Property from outside sources,  
23 including the Neighboring Properties. Thus, Plaintiffs have incurred costs due to  
24 TCE and PCE releases that occurred at both the Property and the Neighboring  
25 Properties.

26 63. In addition, Plaintiffs will be required in the future to expend significant  
27 amounts of money in conducting further environmental investigation and  
28 remediation activities at the Property, including but not limited to demolition and

1 redevelopment costs, that are attributable to TCE and PCE releases at both the  
2 Property and the Neighboring Properties. Also as a result of Defendants' actions, the  
3 Property's value has been severely diminished, among other damages.

4 **FIRST CLAIM FOR RELIEF**  
5 **(Liability for Response Costs under CERCLA)**  
6 **(Against all Defendants)**

7 64. Plaintiffs hereby incorporate by reference each and every allegation  
8 contained above, as though set forth herein in full.

9 65. The Property and the Neighboring Properties are "facilities" as that  
10 term is defined in CERCLA, 42 U.S.C. § 9601(9).

11 66. Defendants are "persons" as that term is defined within the meaning of  
12 CERCLA, 42 U.S.C. § 9601(21), who are potentially liable for costs incurred in  
13 response to the release or threatened release of hazardous substances.

14 67. As a result of Defendants' unreasonable, negligent and/or injurious  
15 method of operating their businesses and/or maintaining the Property or Neighboring  
16 Properties, the Defendants, and each of them, have caused or are otherwise  
17 responsible for the releases and threatened releases of hazardous substances into the  
18 environment, as those terms are defined in CERCLA, 42 U.S.C. §§ 9601(22) and  
19 (14) respectively.

20 68. The releases or threatened releases of Defendants and their  
21 predecessors, and each of them, have caused and continue to cause contamination of  
22 the indoor air, soil and groundwater on, within and under the Property.

23 69. The activities of Defendants and their predecessors, and each of them,  
24 including but not limited to the release and threatened release of hazardous  
25 substances into the environment, have caused Plaintiffs to incur costs to respond to  
26 said releases and threatened releases for which Defendants, and each of them, are  
27 liable under CERCLA, 42 U.S.C. § 9607.

28 70. The response costs incurred by Plaintiffs, including costs for



1 investigation, removal and remedial actions, are necessary and consistent with the  
2 National Contingency Plan, within the meaning of 42 U.S.C. § 9607(a) and 40 C.F.R.  
3 § 300, *et seq.*

4 71. Pursuant to CERCLA, 42 U.S.C. § 9607(a), Plaintiffs are entitled to  
5 reimbursement and/or contribution, to the extent allowable by law, from Defendants,  
6 and each of them, for all amounts expended by Plaintiffs as a result of said  
7 contamination and/or for all past and future response costs incurred by Plaintiffs in  
8 investigating and/or remediating the impacts to or releases of hazardous substances  
9 at the Property, in a sum to be proven at trial.

10 **SECOND CLAIM FOR RELIEF**

11 **(Declaratory Relief under CERCLA)**

12 **(Against all Defendants)**

13 72. Plaintiffs hereby incorporate by reference each and every allegation  
14 contained above, as though set forth herein in full.

15 73. Because the extent and magnitude of any contamination at the Property  
16 is not fully known at this time, and because the hazardous substances at the Property  
17 have not yet been fully remediated, Plaintiffs are informed and believe that they will  
18 incur in the future necessary response costs, including but not limited to  
19 investigatory, remedial and removal expenses, attorneys' fees and interest.

20 74. An actual legal controversy now exists between Plaintiffs and  
21 Defendants as to their respective responsibility for any compensable response costs  
22 incurred by Plaintiffs in connection with this litigation and/or the Property.

23 75. Pursuant to CERCLA, 42 U.S.C. § 9607, Plaintiffs seek a declaratory  
24 judgment establishing the liability of Defendants, and each of them, for any and all  
25 such response costs for the purposes of this and any subsequent action or actions to  
26 recover past or future investigatory and response costs and damages.

27 76. Such a declaratory judgment is appropriate in the interests of justice  
28 because, among other reasons, it will obviate the need for multiple lawsuits, thereby

1 providing a complete solution for the disputes between the parties.

2 **THIRD CLAIM FOR RELIEF**

3 **(Liability for Response Costs under California Health & Safety Code § 25363)**

4 **(Against all Defendants)**

5 77. Plaintiffs hereby incorporate by reference each and every allegation  
6 contained above, as though set forth herein in full.

7 78. Defendants are “persons” within the meaning of California Health &  
8 Safety Code § 25319.

9 79. As a result of Defendants’ unreasonable, negligent and/or injurious  
10 method of operating their business and/or maintaining their property or Neighboring  
11 Properties, Defendants, and each of them, have caused or are otherwise responsible  
12 for the releases and threatened releases into the environment of hazardous material,  
13 as those terms are defined in California Health & Safety Code §§ 25320 and 25316,  
14 respectively.

15 80. The releases by Defendants, and each of them, of hazardous substances  
16 have caused the indoor air, soil and groundwater contamination at the Property.

17 81. Defendants, and each of them, as the owners and/or operators of a  
18 facility from which there has been a release or threatened release of hazardous  
19 substances into the environment qualify as a “responsible party” and “liable person”  
20 as defined in California Health & Safety Code § 25363.

21 82. The activities of Defendants, and each of them, including, but not  
22 limited to, the release and threatened release of hazardous substances into the  
23 environment, have caused Plaintiffs to incur costs to respond to said releases and  
24 threatened releases for which Defendants, and each of them, are liable under  
25 California Health & Safety Code § 25363.

26 83. Pursuant to California Health & Safety Code § 25363(e), Plaintiffs are  
27 entitled to indemnification and contribution from Defendants, and each of them, for  
28 all amounts expended by Plaintiffs as a result of said contamination and/or for all



1 past and future response costs incurred by Plaintiffs in investigating and/or  
2 remediating the releases of hazardous substances at the Property, in a sum to be  
3 proven at trial. Plaintiffs have satisfied the notice requirement in connection with  
4 these claims and contamination at the Property.

5 **FOURTH CLAIM FOR RELIEF**

6 **(Implied Equitable Indemnity and/or Partial Implied Equitable Indemnity)**

7 **(Against All Defendants)**

8 84. Plaintiffs hereby incorporate by reference each and every allegation  
9 contained above, as though set forth herein in full.

10 85. Defendants, and each of them, at all times relevant hereto owed  
11 Plaintiffs a duty of due care and diligence with respect to Defendants' possession,  
12 operation, maintenance and control of the Property.

13 86. Defendants, and each of them, have breached said duties of care and  
14 diligence by causing, allowing or permitting the discharge or release of hazardous  
15 substances at, on and under the Property or above referenced neighboring properties.

16 87. As a direct and proximate result of the actions or omissions of  
17 Defendants, and each of them, Plaintiffs have suffered and are continuing to suffer  
18 damages, including without limitation, the costs of investigating and remediating the  
19 contamination at the Property.

20 88. Plaintiffs' liability, if any, for any investigation and remediation of the  
21 Property and any resultant liability to third parties, including the applicable  
22 governmental agencies, is imposed solely by statute or law irrespective of negligence  
23 or active conduct on the part of Plaintiffs.

24 89. The damages, injuries and obligations incurred by Plaintiffs to  
25 investigate and remediate the contamination at the Property are exclusively the result  
26 of the acts or omissions of Defendants, and each of them.

27 90. As a direct and proximate result of the acts or omissions of Defendants  
28 as alleged herein, Defendants, and each of them, are obligated to reimburse and/or

1 indemnify Plaintiffs for all costs and damages, including without limitation, those  
2 costs necessarily incurred in investigating and remediating the contamination at the  
3 Property and/or for any resultant liability to third parties, including the applicable  
4 governmental agencies. Such damages also include damages suffered by Plaintiffs  
5 due to increased financing costs for the Property, lost rent and diminution in the  
6 value of the Property, in a sum to be proven at trial.

7 91. Alternatively, Plaintiffs are, at most, only partially responsible for such  
8 costs, damages and liabilities, and Defendants are responsible for the remainder.  
9 Plaintiffs are therefore entitled to a declaration of the proportion of fault and liability  
10 of each of the parties and to a declaration that Defendants have a duty to indemnify  
11 Plaintiffs for any sums that Plaintiffs are compelled to pay in excess of the Plaintiffs'  
12 percentage of fault, up to the extent of each such party's fault.

13 **FIFTH CLAIM FOR RELIEF**

14 **(Continuing Private Nuisance)**

15 **(Against All Defendants)**

16 92. Plaintiffs hereby incorporate by reference each and every allegation  
17 contained above, as though set forth herein in full.

18 93. Defendants, and each of them, had a duty to operate their business and  
19 maintain the Property or Neighboring Properties in a manner that does not interfere  
20 with the Plaintiffs' right as the property owners to enjoy and use the Property.

21 94. As a result of the unreasonable, negligent and injurious methods of  
22 operating their businesses and maintaining the Property or Neighboring Properties,  
23 the acts or omissions of Defendants, and each of them, directly and proximately  
24 caused discharges and releases of hazardous substances into the environment,  
25 including on, at and under the Property or Neighboring Properties which have  
26 impacted the Property.

27 95. Such use, occupation, and maintenance of the Property or Neighboring  
28 Properties by Defendants, and each of them, constitutes a continuing nuisance within

1 the meaning of California Civil Code § 3479. The ongoing presence of the  
2 contamination from Defendants' releases of hazardous substances constitutes a  
3 continuing nuisance which has adversely impacted Plaintiffs' use and enjoyment of  
4 the Property.

5 96. As a direct and proximate result of the nuisance created by Defendants,  
6 and each of them, Plaintiffs have been damaged in an amount to be determined at  
7 trial, including but not limited to damages for denial of their useful and quiet  
8 enjoyment of the Property; costs to investigate and remediate the soil and  
9 groundwater contamination; liabilities to third parties, including the applicable  
10 governmental agencies, arising from said contamination; lost rent; and other  
11 monetary damages to the extent allowable by law. Plaintiffs will continue to be  
12 adversely affected by the alleged nuisance unless and until it is abated.

13 97. As a further direct and proximate result of the nuisance, the value of the  
14 Plaintiffs' Property has been diminished.

15 98. Defendants, and each of them, have failed, after demand and a  
16 reasonable opportunity, to take steps to abate the nuisance caused by their activities  
17 on the Property.

18 99. In accordance with California Code of Civil Procedure § 731, Plaintiffs  
19 are entitled to damages as well as injunctive and declaratory relief requiring  
20 Defendants to abate the continuing private nuisance created by their releases of  
21 hazardous substances into the environment at the Property.

22 **SIXTH CLAIM FOR RELIEF**

23 **(Continuing Trespass)**

24 **(Against All Defendants)**

25 100. Plaintiffs hereby incorporate by reference each and every allegation  
26 contained above, as though set forth herein in full.

27 101. Plaintiffs are the owners of the Property.

28 102. Defendants' actions and/or omissions have caused the releases of

1 hazardous substances into the soil and subsurface at, on and under the Property or  
2 Neighboring Properties. As a direct and proximate result of the intentional, reckless,  
3 or negligent conduct of Defendants, and each of them, the Property has been  
4 contaminated by said releases of hazardous substances.

5 103. Defendants, and each of them, have failed to remove the hazardous  
6 substances or to commit to the investigation and remediation, at their expense, of  
7 soil and subsurface contamination at the Property.

8 104. As a direct and proximate result of Defendants' contamination of the  
9 Property and the Neighboring Properties, Plaintiffs have been damaged in that they  
10 have incurred costs for the investigation and remediation of such contamination;  
11 liabilities to third parties, including the applicable governmental agencies, arising  
12 from said contamination; lost rent; statutory damages under Cal. Civ. Code § 3334;  
13 and other monetary damages to the extent allowable by law.

14 **SEVENTH CLAIM FOR RELIEF**

15 **(Waste)**

16 **(Against TriMas Corporation d/b/a NI Industries, Inc., and Bradford White**  
17 **Corporation)**

18 105. Plaintiffs hereby incorporate by reference each and every allegation  
19 contained above, as though set forth herein in full.

20 106. Defendants, and each of them, had a duty to operate their business and  
21 maintain the Property in a manner that does not interfere with Plaintiffs' right as the  
22 property owners to enjoy and use the Property.

23 107. Defendants, and each of them, have engaged in unreasonable, negligent  
24 and injurious methods of operating their business and/or maintaining the Property,  
25 and the acts or omissions of Defendants, and each of them, directly and proximately  
26 caused the release of hazardous substances into the soil and subsurface at, on and  
27 under the Property.

28 108. Such actions and/or omissions of Defendants, and each of them,

1 constitute waste within the meaning of California Code of Civil Procedure § 732, in  
2 that they have substantially diminished the market value of Plaintiffs' Property.

3 109. As a direct and proximate result of said waste, Plaintiffs have suffered  
4 and will continue to suffer damages in an amount to be proven at trial, including, but  
5 not limited to, the diminution in value of Plaintiffs' Property and other monetary  
6 damages to the extent allowable by law.

7 110. As a direct and proximate result of said waste, and because Plaintiffs  
8 are informed and believe, and therefore allege, that Defendants' conduct in  
9 committing said waste was intentional, willful, and/or malicious with knowledge  
10 that it would result in substantial damage to the Property and Plaintiffs' interest in  
11 the Property, Plaintiffs are entitled to treble damages against Defendants, and each  
12 of them, pursuant to California Code of Civil Procedure § 732.

13 **EIGHTH CLAIM FOR RELIEF**

14 **(Negligence)**

15 **(Against All Defendants)**

16 111. Plaintiffs hereby incorporate by reference each and every allegation  
17 contained above, as though set forth herein in full.

18 112. Defendants, and each of them, owed a duty to Plaintiffs to exercise due  
19 care in handling, storing and using hazardous substances and hazardous wastes at  
20 the Property or Neighboring Properties, and to not release any hazardous substances  
21 that would impact the Property.

22 113. During their occupancy of the Property, Defendants, and each of them,  
23 had exclusive custody and control of their respective properties, and had control over  
24 all operations that were conducted thereon.

25 114. Defendants, and each of them, released, failed to prevent, or allowed  
26 the release of hazardous substances into the soil and subsurface at, on and under the  
27 Property or Neighboring Properties. Such actions and/or omissions by Defendants  
28 are breaches of the duties owed by Defendants, and each of them, to Plaintiffs.

1           115. As a direct and proximate result of said breaches of duty, Plaintiffs have  
2 been damaged, and continue to be damaged, in an amount to be proven at trial,  
3 including, but not limited to, costs to investigate and remediate any soil and  
4 groundwater contamination; the diminution in value of Plaintiffs' Property; lost rent;  
5 liabilities to third parties, including the applicable governmental agencies, arising  
6 from said contamination; increased financing costs for the Property; demolition and  
7 reconstruction costs at the Property; and other monetary damages and attorneys'  
8 fees and costs.

9                                   **NINTH CLAIM FOR RELIEF**

10                                   **(Declaratory Relief)**

11                                   **(Against All Defendants)**

12           116. Plaintiffs hereby incorporate by reference each and every allegation  
13 contained above, as though set forth herein in full.

14           117. An actual controversy exists between the Plaintiffs and the Defendants  
15 herein in that Plaintiffs contend and the Defendants deny that if Plaintiffs'  
16 allegations with respect to their damages and injury are true, that the Defendants,  
17 and each of them, have responsibility for such costs and damages that have been or  
18 will be incurred for activities performed and/or to be performed in the investigation,  
19 assessment, monitoring, treatment, removal, remediation and cleanup of soil, soil  
20 vapor, and groundwater contamination at the Property, for the diminution in the  
21 market value, the loss of rent and use of the Property, and the liabilities to third  
22 parties and for such other damages in amounts that Plaintiffs will continue to incur.

23           118. Plaintiffs request that a judicial determination and declaration setting  
24 forth the parties' rights and obligations as necessary and appropriate in order to avoid  
25 a multiplicity of actions and in order for the respective parties herein to ascertain  
26 their rights and duties with respect to the Plaintiffs' claims herein, and each of them.

**PRAYER FOR RELIEF**

1  
2 1. For reimbursement of, indemnification for, and/or contribution, to the  
3 extent allowable by law, for all costs and any third-party or other liability incurred  
4 by Plaintiffs as a result of the actions of Defendants alleged above;

5 2. For actual damages in an amount to be proven at trial, resulting from  
6 the presence of vapor, groundwater, soil and/or subsurface contamination at, on and  
7 under the Property, including, without limitation, the expenses of investigating and  
8 remediating such contamination; diminution of the Property's value; costs of  
9 demolition and reconstruction of structures on the Property; lost rent; liabilities to  
10 third parties, including the applicable governmental agencies, arising from said  
11 contamination; increased financing costs for the Property; and other monetary  
12 damages;

13 3. For treble damages against Defendants, and each of them, pursuant to  
14 California Code of Civil Procedure § 732;

15 4. For a judicial determination declaring the rights and obligations of the  
16 parties in connection with the claims for relief asserted in this Complaint;

17 5. For injunctive relief;

18 6. For attorneys' fees and costs of suit herein incurred as permitted by law;

19 7. For pre-judgment interest at the maximum legal rate; and

20 8. For such other and further relief as may be just and proper.

21  
22 Dated: April 23, 2018

**SHER EDLING LLP**

23  
24 By: /s/ Matthew K. Edling  
MATTHEW K. EDLING

25  
26 *Attorneys for Plaintiffs ALISU*  
27 *INVESTMENTS, LTD, and KARGO GROUP*  
28 *GP, LLC*



**JURY DEMAND**

Plaintiffs Alisu Investments, Ltd. and Kargo Group GP, LLC hereby demand  
a jury on the claims for relief to which a jury is allowed.

Dated: April 23, 2018

**SHER EDLING LLP**

By: /s/ Matthew K. Edling  
MATTHEW K. EDLING

*Attorneys for Plaintiffs ALISU  
INVESTMENTS, LTD, and KARGO GROUP  
GP, LLC*



# EXHIBIT **B**



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# **Transcript of Anthony Krell, Corporate Designee**

**Date:** July 11, 2019

**Case:** Alisu Investments, LTD, et al. -v- Trimas Corporation, et al.

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1 UNITED STATES DISTRICT COURT  
2 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

3 ALISU INVESTMENTS, LTD.  
4 and KARGO GROUP GP, LLC,

5 Plaintiffs,

Case No. 2:16-CV-00686  
vs. MWF (PJWx)

6  
7 TRIMAS CORPORATION d/b/a  
8 NI INDUSTRIES, INC.,  
9 BRADFORD WHITE  
10 CORPORATION, LUPPE  
11 RIDGWAY LUPPEN, PAULA  
12 BUSCH LUPPEN, METAL  
13 PRODUCTS ENGINEERING,  
14 DEUTSCH/SDL, LTD., RHEEM  
15 MANUFACTURING COMPANY,  
16 and INFINITY HOLDINGS,  
17 LLC,

18 Defendants.

19  
20 RULE 30(b)(6) VIDEO DEPOSITION OF RHEEM  
21 MANUFACTURING COMPANY  
22 THROUGH WITNESS ANTHONY KRELL

23 July 11, 2019

24 10:02 a.m.

25 King & Spalding LLP  
1180 Peachtree Street, NE  
Suite 1600  
Atlanta, Georgia

Valerie N. Almand, RPR, CRR, CRC  
Jenna Edmunds, Legal Video Specialist

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

19

1 that have been identified in the notice of 10:17:51  
2 deposition? 10:17:55

3 A. No, there's not. 10:17:55

4 Q. Okay. Do you know why you were selected 10:17:56  
5 to testify for Rheem in this deposition? 10:18:07

6 A. I mean, I'm a 15-year employee of Rheem 10:18:13  
7 Manufacturing Company and part of my job duties 10:18:21  
8 are being a 30(b)(6) in other matters, so I'm 10:18:26  
9 familiar with the process. 10:18:30

10 Q. Great. Okay. So generally what did you 10:18:31  
11 do to prepare for today's deposition? 10:18:41

12 A. So generally I met with one of our legal 10:18:45  
13 assistants and our corporate here in Atlanta, 10:18:51  
14 along with our risk manager, to go over the 10:18:55  
15 documents that Rheem has produced and just the 10:18:59  
16 process that was done to get those documents 10:19:03  
17 pulled together. I've reviewed the depo notice, 10:19:07  
18 I've reviewed several of the pleadings and I 10:19:17  
19 reviewed the documents that Rheem's produced, 10:19:20  
20 along with some other documents that have been 10:19:22  
21 produced by others. 10:19:24

22 Q. Okay. Great. Just quickly, what's the 10:19:25  
23 name of the risk management officer that you spoke 10:19:29  
24 with? 10:19:31

25 A. This would be Jennifer McArthur. 10:19:32

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

30

1 came into Rheem -- I'm assuming that's the correct 10:37:32  
2 date. But as far as I know, they eventually 10:37:35  
3 merged into Rheem. 10:37:37

4 Q. Okay. And then you said your 10:37:38  
5 understanding is Rheem sold Orendorff to Opal in 10:37:41  
6 1972? 10:37:46

7 A. I can't -- 1971, '72, somewhere in that 10:37:48  
8 timeframe, yes. 10:37:52

9 Q. Okay, great. Is it Rheem's understanding 10:37:53  
10 that they acquired any liabilities that Orendorff 10:38:06  
11 held as a result of the merger on 12 -- in 1966, 10:38:09  
12 or whatever the exact date might be? 10:38:15

13 MR. HENDERSON: And, Marty, for the 10:38:18  
14 record we're going to object to the extent it 10:38:19  
15 requires a legal opinion on any of the documents 10:38:22  
16 that have been provided. 10:38:23

17 MR. QUINONES: Understood. 10:38:24

18 A. We provided all the documents that we 10:38:26  
19 have. As far as legal interpretation, I mean, 10:38:28  
20 that's a legal opinion. I don't have one on that. 10:38:32

21 BY MR. QUINONES: 10:38:35

22 Q. That's fine. And I'll ask you, you may 10:38:35  
23 not be able to answer this, but does Rheem 10:38:39  
24 contest -- strike that. 10:38:47

25 Yeah, I will ask it that way. Does Rheem 10:38:53

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

29

1	A. It was, yes.	10:35:57
2	Q. All right, great. Okay. So let's turn	10:35:59
3	to the second page, which is --	10:36:14
4	MR. QUINONES: And, I'm sorry, for those	10:36:16
5	on the phone, this exhibit is Bates numbered RHEEM	10:36:17
6	00015 through 17.	10:36:20
7	BY MR. QUINONES:	10:36:20
8	Q. So I want to turn to the second page,	10:36:23
9	which is RHEEM 00016, and then look down at the	10:36:25
10	bottom of the page, there's some handwritten	10:36:32
11	notations. And I'll read you what I believe it	10:36:40
12	says. It appears to say in the second to last	10:36:45
13	line, Orendorff Manufacturing Company, and then	10:36:49
14	there's an arrow and it appears to say, merged	10:36:55
15	into Rheem, and then there's a notation that I	10:36:57
16	can't quite read, and then it appears to say close	10:37:01
17	of business 12/31/66. Is that how you read the	10:37:04
18	document as well?	10:37:08
19	A. Yes, it is.	10:37:09
20	Q. And there are some other documents	10:37:12
21	related to this that I think we'll talk about.	10:37:14
22	But is it your understanding that Orendorff	10:37:16
23	Manufacturing Company merged into Rheem at the	10:37:21
24	close of business 12/31/1966?	10:37:23
25	A. That's my understanding, that Orendorff	10:37:28

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

27

1	A. Yes.	10:32:24
2	Q. So what is Rheem's understanding of its	10:32:25
3	acquisition of any assets or liabilities that	10:32:33
4	belonged to Orendorff Manufacturing Company?	10:32:37
5	A. I mean, Orendorff Manufacturing Company	10:32:41
6	was the company that Rheem owned in the fifties,	10:32:45
7	sixties, I think up until 1972, and then that	10:32:51
8	eventually was sold off to Opal, I think in 1972,	10:32:56
9	around that time.	10:33:04
10	Q. Okay. All right. So then I want to	10:33:18
11	introduce document, Exhibit Number 51, I believe	10:33:33
12	we're at.	10:33:39
13	(Plaintiffs' Exhibit 51 marked)	10:33:49
14	BY MR. QUINONES:	10:33:52
15	Q. And you can take a look that and let me	10:33:52
16	know when you're ready to talk about it.	10:33:54
17	A. Okay.	10:34:10
18	Q. Okay. So have you seen this document	10:34:19
19	before?	10:34:23
20	A. I have.	10:34:23
21	Q. Can you tell me what it is in your	10:34:25
22	understanding.	10:34:27
23	A. My understanding, it's just a list of	10:34:30
24	historical records of companies that Rheem's	10:34:35
25	acquired and some plant closures and when those	10:34:37



Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

38

1 Q. Okay. But this was a document that, 10:52:30  
2 again, was pulled from either the scanned archives 10:52:34  
3 that we talked about or from Iron Mountain. 10:52:36

4 A. That's correct. 10:52:39

5 Q. All right. So let's turn to the second 10:52:39  
6 page of it that's Rheem 000009. So then on the 10:52:42  
7 right side of the page there's a list with the 10:52:58  
8 header, Historical sketch of Rheem. So I want to 10:53:01  
9 look down towards the bottom of the page, there 10:53:05  
10 are two what appear to be hand notations where 10:53:08  
11 there's a vertical line on the right side of the 10:53:11  
12 page and a checkmark. Do you know who made those 10:53:14  
13 notations? 10:53:17

14 A. I do not, no. 10:53:18

15 Q. Do you know when they were made? 10:53:20

16 A. No, I don't. 10:53:21

17 Q. Okay. So let's look at the top one -- 10:53:22  
18 excuse me, the top hand notation there appears to 10:53:28  
19 be next to a line that reads: 1954, Rheem 10:53:34  
20 purchases U.S. Spring and Bumper Company and forms 10:53:39  
21 automotive division. 10:53:42

22 Is it Rheem's understanding today that 10:53:44  
23 that's the year they purchased U.S. Spring and 10:53:47  
24 Bumper Company? 10:53:51

25 A. Yes, that's what my understanding is. 10:53:51

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

44

1 one that the name -- but it didn't show up 11:02:42  
2 anything on the pension or records. 11:02:48

3 Q. Okay. Has Rheem identified any 11:02:49  
4 individuals other than Mr. Orendorff we talked 11:02:51  
5 about who worked at either of the properties that 11:02:54  
6 we've talked about, 4900 South Boyle Avenue or 11:03:03  
7 4910 South Boyle in Vernon? 11:03:08

8 A. We have not. 11:03:11

9 Q. Does Rheem know if during the period that 11:03:22  
10 it occupied the properties we're talking about, 11:03:24  
11 would there have been individuals with 11:03:28  
12 responsibility over inspecting environmental 11:03:33  
13 conditions at the properties? 11:03:35

14 A. I mean, we provided all the documents we 11:03:39  
15 have, and we haven't found any names or -- that 11:03:41  
16 would be related to that or part of that request, 11:03:45  
17 so, I mean, you have everything that we have. 11:03:49

18 Q. Okay. Fair enough. Does Rheem know, 11:03:52  
19 would it have been typical during that time for 11:04:02  
20 there to be people with responsibility at a plant 11:04:04  
21 for managing or inspecting environmental 11:04:07  
22 conditions? 11:04:11

23 A. I don't know in the fifties and sixties 11:04:12  
24 what their practices were. I don't know, I can't 11:04:16  
25 answer that. 11:04:18

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

50

1 Insurance and Trust Company, Los Angeles, 11:12:00  
2 California. Does Rheem have a copy of that title 11:12:03  
3 report? 11:12:05

4 A. No, unless it was part of the documents 11:12:08  
5 we produced, I don't remember seeing it. But we 11:12:11  
6 would not have it if it's not been produced. 11:12:14

7 Q. Okay. So let's turn to what's page 3 of 11:12:17  
8 the document Bates numbered Rheem 00104. And 3A 11:12:25  
9 says -- I'll read 3A, which is titled assignment 11:12:40  
10 of leases. Concurrently with the execution of 11:12:45  
11 this agreement, seller shall execute an assignment 11:12:47  
12 of all leases of buildings situated on said 11:12:50  
13 industrial tract in the exact form and substance 11:12:53  
14 as more fully set forth in Exhibit B attached 11:12:56  
15 hereto and incorporated herein by reference to be 11:13:00  
16 effective as of the date of close of escrow. Did 11:13:03  
17 I read that correctly? 11:13:06

18 A. Yes. 11:13:07

19 Q. Does Rheem have an understanding of who 11:13:11  
20 the lessees under the leases described here were? 11:13:11

21 A. No, I don't recall seeing that. 11:13:18

22 Q. And so I believe there's no Exhibit B 11:13:22  
23 attached to this document that was produced in 11:13:27  
24 discovery. Does Rheem have a copy of Exhibit B 11:13:32  
25 that's described in that paragraph? 11:13:38

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

57

1	there. But I don't know when they started.	11:34:18
2	Q. Okay. Does Rheem have any information	11:34:22
3	about what Orendorff was doing other than that	11:34:26
4	they manufactured farm equipment?	11:34:29
5	A. No, that's all we have.	11:34:31
6	Q. Did Orendorff continue manufacturing farm	11:34:33
7	equipment after it merged with Rheem?	11:34:38
8	A. Yes, they continued that business.	11:34:41
9	Q. Okay. And that was true until it was	11:34:43
10	sold to Opal?	11:34:45
11	A. Yes, that's correct, in 1972.	11:34:48
12	Q. Okay. Does Rheem know how many employees	11:34:51
13	Orendorff had at the Vernon facility?	11:34:59
14	A. No.	11:35:02
15	Q. Does Rheem know how many employees it had	11:35:04
16	at the Vernon facility while it was manufacturing	11:35:06
17	there?	11:35:08
18	A. I don't remember seeing that, no.	11:35:09
19	Q. Okay. Does Rheem have any documentation	11:35:11
20	of machinery that Orendorff operated at the 4900	11:35:17
21	or 4910 properties?	11:35:29
22	A. Again, that would have been kept at the	11:35:30
23	plant level. We don't -- there was nothing that	11:35:32
24	we found related to equipment or lists in our	11:35:35
25	archives.	11:35:39

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

54

1	Q. , So does Rheem have a copy of any	11:28:47
2	inventory that was delivered pursuant to this	11:28:51
3	purchase and sale agreement?	11:28:54
4	A. Again, we produced what we have. We	11:28:57
5	don't have a list of equipment.	11:29:00
6	Q. Okay. So this paragraph describes what	11:29:03
7	it refers to as items installed by seller and	11:29:22
8	belonging to seller that were used at the	11:29:24
9	property. Does Rheem have any reason to dispute	11:29:30
10	that property meeting the description in this	11:29:33
11	paragraph was present on the 14-acre property that	11:29:38
12	we've talked about?	11:29:43
13	A. No. Again, I think the document speaks	11:29:44
14	for itself, what's in there.	11:29:46
15	Q. Okay. And so I assume when it refers to	11:29:48
16	machinery, apparatus and other equipment, Rheem	11:29:53
17	doesn't know what that machinery, apparatus and	11:29:58
18	equipment would refer to.	11:30:01
19	A. That's correct.	11:30:04
20	Q. Okay. Let's go back to the exhibit that	11:30:05
21	we've marked as 51. This was the acquisition	11:30:17
22	history. So turn to the last page of it marked	11:30:21
23	Rheem 00017. Then there's a list in the top left	11:30:32
24	that says, Plants closed, and fifth from the	11:30:44
25	bottom it says, Vernon, California and then next	11:30:51

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

67

1 operating there? 11:50:45

2 A. Again, that would be the same answer. We 11:50:45  
3 don't know. 11:50:49

4 Q. All right. And so I'll put it this way. 11:50:49  
5 Other than what's been produced in the documents 11:50:58  
6 that were produced by other parties that you 11:51:01  
7 referred to that you reviewed, does Rheem have any 11:51:03  
8 information about any construction, demolition, 11:51:05  
9 installation of equipment, anything like that, at 11:51:10  
10 the properties during the time it operated there? 11:51:12

11 A. No, we don't. 11:51:14

12 Q. All right. Let's turn to page 8 of 11:51:15  
13 Exhibit 49. Topic number 9 is, Any regulatory or 11:51:35  
14 administrative permitting process you undertook to 11:51:49  
15 allow activities at the property. Does Rheem have 11:51:51  
16 any information about permits for construction or 11:51:59  
17 operating machinery or anything during the time 11:52:04  
18 period it was operating at 4900 or 4910 South 11:52:07  
19 Boyle Avenue? 11:52:11

20 A. Yeah, Rheem doesn't have anything. We 11:52:11  
21 produced what we have. I don't know -- there 11:52:14  
22 may -- I don't remember if there were permits 11:52:18  
23 related to this. I remember maybe seeing some 11:52:20  
24 others that maybe some others had produced. But 11:52:22  
25 Rheem didn't have anything. 11:52:25

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

68

1 Q. Okay. Let's move on to topic 10, The 11:52:26  
2 environmental condition of the property during and 11:52:45  
3 after your tenancy, occupancy and operations at 11:52:48  
4 the property. Did I read that correctly? 11:52:52

5 A. Yes. 11:52:54

6 Q. So does Rheem have any understanding of 11:53:00  
7 the environmental condition of the property at the 11:53:03  
8 time that it operated there? 11:53:05

9 A. I mean, that would have been controlled 11:53:09  
10 by the plant at that time, and we have no records 11:53:11  
11 of the environmental condition or what -- what 11:53:15  
12 happened during the timeframe we owned it. 11:53:20

13 Q. Let me ask a question. You've said a 11:53:22  
14 couple of times that environmental matters would 11:53:27  
15 have been handled at the plant level. It's your 11:53:31  
16 understanding that that would have been true in 11:53:34  
17 the fifties and sixties as well? 11:53:36

18 A. I would think so. I mean, that's 11:53:38  
19 typically where it would be handled, because they 11:53:40  
20 know their processes and what's coming in and out 11:53:45  
21 of there. 11:53:47

22 Q. And so what's the basis for your 11:53:48  
23 understanding there? 11:53:51

24 A. I mean, just being in manufacturing for 11:53:53  
25 the last 25 years. That's pretty typical. I 11:53:57



Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

57

1 there. But I don't know when they started. 11:34:18

2 Q. Okay. Does Rheem have any information 11:34:22

3 about what Orendorff was doing other than that 11:34:26

4 they manufactured farm equipment? 11:34:29

5 A. No, that's all we have. 11:34:31

6 Q. Did Orendorff continue manufacturing farm 11:34:33

7 equipment after it merged with Rheem? 11:34:38

8 A. Yes, they continued that business. 11:34:41

9 Q. Okay. And that was true until it was 11:34:43

10 sold to Opal? 11:34:45

11 A. Yes, that's correct, in 1972. 11:34:48

12 Q. Okay. Does Rheem know how many employees 11:34:51

13 Orendorff had at the Vernon facility? 11:34:59

14 A. No. 11:35:02

15 Q. Does Rheem know how many employees it had 11:35:04

16 at the Vernon facility while it was manufacturing 11:35:06

17 there? 11:35:08

18 A. I don't remember seeing that, no. 11:35:09

19 Q. Okay. Does Rheem have any documentation 11:35:11

20 of machinery that Orendorff operated at the 4900 11:35:17

21 or 4910 properties? 11:35:29

22 A. Again, that would have been kept at the 11:35:30

23 plant level. We don't -- there was nothing that 11:35:32

24 we found related to equipment or lists in our 11:35:35

25 archives. 11:35:39

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

63

1	Q. Okay. And similar to my previous	11:44:16
2	question, there's no one within Rheem who would	11:44:21
3	have a superior knowledge about that topic than	11:44:26
4	you sitting here today?	11:44:29
5	A. That's correct.	11:44:30
6	Q. All right. So then let's look at topic	11:44:31
7	6, Your actual handling and/or disposal of	11:44:44
8	chlorinated solvents, including but not limited to	11:44:48
9	PCE, TCE, 1,1-DCA, 1,1-DCE and 1,1-TCA at the	11:44:51
10	property. Did I read that correctly?	11:44:59
11	A. Yes.	11:45:02
12	Q. So does Rheem have any understanding of	11:45:03
13	whether it handled or disposed of any of those	11:45:07
14	chlorinated solvents during the time it was	11:45:12
15	operating at the property?	11:45:15
16	A. Again, the documents we produced had no	11:45:17
17	mention of the -- or that we found that related to	11:45:22
18	these chemicals, so everything we've found we've	11:45:27
19	produced. We have no -- no -- no understanding if	11:45:31
20	these chemicals were there or used.	11:45:41
21	Q. Okay. So Rheem -- just to crystallize	11:45:42
22	that last thing you said, so Rheem has no	11:45:46
23	understanding one way or the other of whether it	11:45:49
24	used any of the chlorinated solvents referenced in	11:45:52
25	this question at the property.	11:45:55

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

74

1 as a new plant during this search. Again, we were 12:10:54  
2 focused on the Vernon facility. 12:10:56

3 Q. Okay. So just to narrow it, sitting here 12:10:59  
4 today, you as Rheem's representative just don't 12:11:10  
5 have any information about whether chlorinated 12:11:19  
6 solvents were used in Rheem's automotive 12:11:22  
7 manufacturing at Fullerton. 12:11:24

8 A. That's correct. 12:11:27

9 Q. Okay. And does Rheem have any 12:11:27  
10 information about whether Orendorff Manufacturing 12:11:57  
11 Company used chlorinated solvents in any of its 12:12:05  
12 operations at the 4900 and 4910 South Boyle Avenue 12:12:06  
13 property? 12:12:10

14 A. Again, it's going to be the same answer. 12:12:11  
15 We reviewed the documents and nothing came up for 12:12:13  
16 Orendorff or U.S. Spring and Bumper on the Vernon 12:12:17  
17 site as far as chemicals that were used, so 12:12:20  
18 there's no information on that. 12:12:24

19 Q. All right. 12:12:31

20 MR. QUINONES: I am finished with any 12:12:35  
21 questions, so I think I will hand it over to Doug 12:12:37  
22 first if he has any questions for the witness. 12:12:39

23 MR. HENDERSON: We have no questions for 12:12:42  
24 the witness. 12:12:44

25 MR. QUINONES: On the phone, does anyone 12:12:46

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

73

1	MR. HENDERSON: Object to the form of	12:09:30
2	that question. You mean at this time?	12:09:31
3	BY MR. QUINONES:	12:09:36
4	Q. Well, yeah, I'll ask about this site	12:09:37
5	first. So let me ask that again. Does Rheem have	12:09:39
6	any understanding of whether it used chlorinated	12:09:44
7	solvents in its automotive manufacturing at the	12:09:47
8	4900 or 4910 property at any time?	12:09:50
9	A. The documents I reviewed and we've	12:09:55
10	produced, there's no mention of chemicals used at	12:09:58
11	the site, so there's -- there's no information on	12:10:00
12	that.	12:10:04
13	Q. Okay. And then I'll broaden it. Does	12:10:05
14	Rheem have any understanding of whether it used	12:10:08
15	chlorinated solvents in its manufacturing in its	12:10:12
16	automotive division manufacturing at the Fullerton	12:10:16
17	site?	12:10:20
18	A. Again, I -- we were focused on the Vernon	12:10:22
19	site. But nothing came up on the Fullerton site.	12:10:27
20	I don't know of anything related to chemicals	12:10:33
21	found for Fullerton.	12:10:36
22	Q. Okay. Do you know if Rheem looked for	12:10:38
23	documents related to the Fullerton site in	12:10:44
24	response to plaintiff's request for productions?	12:10:46
25	A. I mean, the only thing, Fullerton came up	12:10:50

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

64

1           A. Again, everything we produced we've -- 11:45:58  
2           you've got everything we produced, and it has 11:46:01  
3           nothing that mentions these chemicals. 11:46:03

4           Q. And that's the extent of the information 11:46:07  
5           Rheem has. 11:46:09

6           A. That's correct. 11:46:10

7           Q. All right. Is Rheem aware of any 11:46:10  
8           government regulations that would have applied to 11:46:20  
9           the handling of hazardous substances at the 11:46:25  
10          property during the time it operated there? 11:46:29

11          A. Again, that would have been a plant-level 11:46:36  
12          thing, so I don't know if -- we have no 11:46:39  
13          understanding what was going on at that -- during 11:46:41  
14          that timeframe related to the chemicals. 11:46:44

15          Q. Okay. So let me ask, is it Rheem's 11:46:56  
16          standard practice today to abide by all government 11:47:00  
17          regulations regarding the handling and storage of 11:47:03  
18          potentially hazards us chemicals in its 11:47:07  
19          manufacturing? 11:47:11

20          A. Yes, it is. We have people at each plant 11:47:12  
21          that are associated -- that have that 11:47:14  
22          responsibility on the environmental side to make 11:47:17  
23          sure we're meeting those responsibilities. 11:47:20

24          Q. And does Rheem know whether that was the 11:47:23  
25          case during the time it was operating in Vernon? 11:47:25

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

24

1 A. Yes. 10:26:34

2 Q. Okay. Did the procedure, the document 10:26:34  
3 search procedures that we've talked about so far, 10:26:41  
4 does that apply to this request for production as 10:26:43  
5 well? 10:26:45

6 A. Yes, yeah. We've searched for documents 10:26:49  
7 and we've provided everything that Rheem has. 10:26:51

8 Q. Okay. So since this response was 10:26:53  
9 provided, Rheem hasn't identified any other 10:26:59  
10 environmental conditions reports related to the 10:27:04  
11 properties at issue in this litigation? 10:27:05

12 A. That's correct. 10:27:08

13 Q. Okay. Does Rheem normally keep 10:27:08  
14 environmental conditions reports or similar 10:27:26  
15 documents for locations where it conducts 10:27:28  
16 manufacturing? 10:27:35

17 A. Yes. I mean, they would keep reports for 10:27:40  
18 locations. I don't know the retention policy, but 10:27:43  
19 we would have reports for today currently. 10:27:46

20 Q. Okay. Are those -- is there a database 10:27:49  
21 where -- a single database where those are kept? 10:27:59

22 A. I'm not aware of a database. The 10:28:05  
23 environmental, all that's handled by each plant 10:28:08  
24 and each facility, so they have people at those 10:28:12  
25 facilities that would manage that. I don't know 10:28:18

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

59

1           A. No, I didn't look into that. I wouldn't 11:37:16  
2 expect to find anything. But I didn't see 11:37:18  
3 anything related to that. 11:37:20

4           Q. Okay. Okay. So does Rheem know whether 11:37:21  
5 it operated any vapor degreasers at the Vernon 11:37:33  
6 facility? 11:37:38

7           A. Again, the documents we produced didn't 11:37:40  
8 mention anything about vapor degreasers. So 11:37:45  
9 that's all the information that we have. 11:37:47

10          Q. Okay. And just so that we're clear, your 11:37:48  
11 understanding of what vapor degreasing means? 11:37:50

12          A. I understand a little bit, yeah. I don't 11:37:53  
13 know -- I'm not that familiar with the equipment, 11:37:56  
14 but I've heard the term in the past. 11:37:58

15          Q. Okay. 11:38:00

16          A. Or degreaser. I don't know if I heard 11:38:01  
17 the vapor portion. I've heard degreaser, so . . . 11:38:04

18          Q. Okay. So to put a bow on it, does -- 11:38:07  
19 actually, I'll come back to that later. 11:38:22

20                 So other than the information that's in 11:38:32  
21 the documents that you've produced, is there 11:38:34  
22 anyone, current or former employees of Rheem, who 11:38:35  
23 would have superior knowledge that you're aware of 11:38:41  
24 regarding whether any vapor degreasers were 11:38:44  
25 operated at the Vernon facility? 11:38:47



Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

66

1	the property during its tenancy?	11:49:12
2	A. I don't know that they did or not.	11:49:15
3	Q. Okay. Do you know if they removed any	11:49:17
4	underground storage tanks?	11:49:19
5	A. No, I do not.	11:49:20
6	Q. And we've talked about this, I believe,	11:49:21
7	but does Rheem know if it installed any vapor	11:49:23
8	degreasers at the property at any time?	11:49:27
9	A. Again, in the documents we produced we	11:49:30
10	found nothing related to degreasers, so it was --	11:49:32
11	we have no information on that.	11:49:37
12	Q. Okay. And the same is true of removing	11:49:38
13	vapor degreasers?	11:49:41
14	A. That's correct.	11:49:43
15	Q. Does Rheem know if it installed or	11:49:46
16	removed any metal plating equipment at the 4900 or	11:49:49
17	4910 properties?	11:49:55
18	A. Again, yeah, we don't know.	11:49:57
19	Q. Okay. Does Rheem know if it altered the	11:49:58
20	sewer lines at the property at any time?	11:50:08
21	A. Again, if it's not in the documents then	11:50:18
22	we don't know what happened during that timeframe.	11:50:22
23	Q. All right. Same for demolishing any	11:50:25
24	structures. Does Rheem know if it demolished	11:50:39
25	anything on 4900 or 4910 during the time it was	11:50:42

Transcript of Anthony Krell, Corporate Designee  
Conducted on July 11, 2019

69

1 don't know if it was in the 1950s or sixties. It 11:54:02  
2 is today for Rheem, anyway, that that be done by 11:54:05  
3 the plant. 11:54:11

4 Q. Okay. And so I take it Rheem hasn't 11:54:11  
5 found any reports or analyses or data concerning 11:54:17  
6 environmental conditions at the property from the 11:54:25  
7 1950s or sixties? 11:54:27

8 A. That's correct. 11:54:29

9 Q. And Rheem hasn't found any documentation 11:54:31  
10 or any other information concerning any spills or 11:54:34  
11 releases of chemicals at the property during the 11:54:39  
12 time it owned it? 11:54:42

13 A. No, we have not. 11:54:43

14 Q. Okay. Does Rheem know if it performed 11:54:44  
15 any investigation or due diligence concerning the 11:54:54  
16 condition of the property at the time that it 11:55:01  
17 purchased it? 11:55:02

18 A. No, we do not. 11:55:04

19 Q. So you don't have any records about that? 11:55:05

20 A. There's no records. 11:55:07

21 Q. And does Rheem know if anyone else did 11:55:13  
22 that on its behalf at the time that it purchased 11:55:16  
23 the property? 11:55:18

24 A. No. I mean, we produced what we have. I 11:55:20  
25 don't know of any other documents that -- related 11:55:23